the World Bank and inform the State Government of Maharashtra the terms and conditions for finance from the World Bank for Implementation of slum sanitation programme;

(b) if so, the details thereof; and

(c) what action Government have taken so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes Sir.

(b) The Slum Sanitation Programme (Stage-II) is proposed to be implemented in 7 years at a cost of approximately Rs. 480 Crore. The project aims to provide sustainable improvement to the sanitation, based on demand driven participatory approach, for the benefit of slum dwellers with the help of Community Based Organizations (CBOs).

(c) M/o Urban Development & Poverty Alleviation has been intimated about the terms and conditions of World Bank financing for this project.

Weakening of Co-operative Banks

861. PROF. M.M. AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that almost all Cooperative Bank functioning at present in the country are in a weak position;

(b) if so, the details thereof and Government's reaction thereto; and

(c) what steps are being taken by Government to make the Co-operative Banks strong in the national interest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) As on 31st March, 2004, there were 31 State Cooperative Banks (SCBs), 365 District Central Cooperative Banks (DCCBs), 20 State Cooperative Agriculture and Rural Development Banks (SCARDBs) and 768 Primary Cooperative Agriculture and Rural Development Banks (PCARDBs). The financial status of these cooperatives as on 31st March 2004 is given in the table below:

Agency	In Profit		In Loss		Having Accu. Losses	
	No.	Amount	No.	Amount	No.	Amount
SCBs	26	393	4	20	7	261
DCCBs	263	859	102	758	201	4,981

1	2	3	4	5	6	7
SCARDBs	10	96	9	210	10	854
PCARDBs	276	74	439	411	N.A.	2,649

Data in respect of Manipur SCB and SCARDB and 53 PCARDBs in the State of Orissa is not available.

N.A. - Not available.

As on 31st March, 2004 out of the total number of 1926 Urban Cooperative Banks (UCBs), 68 banks were working under directions of RBI and 34 banks were under liquidation. Urban Cooperative Banks had a net profit of Rs. 497 crores as on 31.03.2004.

The report of the Task Force set up under Prof. A. Vaidyanathan, for revitalisation of short term Cooperative Credit Structure has been accepted 'in principle' for implementation. The same Task Force has been requested to make recommendations for revival of long-term cooperative structure.

As regards Urban Cooperative Banks (UCBs), the RBI has placed a draft Vision Document on its web site for feedback from all concerned. The draft Vision Document envisages the UCBs to emerge as a sound and healthy network of jointly owned, democratically controlled and ethically managed banking institutions providing need based quality banking services, essentially to the middle and lower middle classes and marginalized sections of the society. Guidelines for merger/amalgamation of Urban Cooperative Banks have also been framed by RBI with a view to facilitating consolidation and emergence of strong entities, and also providing an avenue for non-disruptive exit of weak/ unviable entities in the Cooperative Banking Sector. Further, two State Governments viz. Andhra Pradesh and Gujarat have entered in to Memorandum of Understanding (MoU) with Reserve Bank, undertaking to introduce Long Form Audit Report (LFAR) and modify audit rating models in alignment with the gradation system adopted by the Reserve Bank for all Urban Cooperative Banks (UCBs) and have statutory audit of UCBs with deposit of more than Rs. 25 crore through Chartered Accountants.